

East Central Idaho News

BONNEVILLE, BUTTE, CLARK, CUSTER, FREMONT, JEFFERSON, LEMHI, MADISON & TETON COUNTIES

ECONOMIC TRENDS

The unemployment rate of the Idaho Falls Metropolitan Statistical Area increased one-tenth of a percentage point to 2.4 percent in October. The labor force grew by 690 as the education sector expanded to accommodate schools in full session. Tourism-related jobs decreased due to seasonal slowdowns along with agricultural and harvest-related jobs resulting in an increase of 70 in the number of people seeking work. Construction employment saw only a small dip since weather remained favorable. Unemployment in Idaho Falls, the largest city in the area, increased to a 2.6 percent, up a tenth of a point from the previous month and down two-tenths of a percentage point from the same time last year.

SPECIAL TOPIC: Creativity in a Tight Economy

Low unemployment and a tight labor market have given rise to more and more "Now Hiring" signs posted throughout east central Idaho businesses. Starting wages for fast food workers are even being advertised on signs along major roads. With a 2.9 percent unemployment rate, the nine-county area is considered fully employed, meaning, theoretically, everyone who wants a job has one. While turnover continues as workers change jobs, get fired, retire or move from the area, employers are finding a shrinking applicant pool.

A low unemployment rate paired with a growing demand for workers puts a strain on the traditional methods of attracting and retaining a work force. So employers have to get creative and find unique marketing strategies to attract new workers and keep their current ones. Higher starting wages and more generous benefits are some of the more obvious tactics. In Idaho Falls, fast food

East Central Idaho Table 1: Idaho Falls MSA Labor Force & Employment
Bonneville and Jefferson counties

	Oct 2006*	Sep 2006	Oct 2005	% Change From Last Month	Last Year
INDIVIDUALS BY PLACE OF RESIDENCE					
Seasonally Adjusted					
Civilian Labor Force	61,630	60,940	60,540	1.1	1.8
Unemployment	1,500	1,430	1,600	4.9	-6.3
% of Labor Force Unemployed	2.4	2.3	2.6		
Total Employment	60,130	59,520	58,930	1.0	2.0
Unadjusted					
Civilian Labor Force	61,870	61,570	60,790	0.5	1.8
Unemployment	1,220	1,420	1,310	-14.1	-6.9
% of Labor Force Unemployed	2.0	2.3	2.2		
Total Employment	60,640	60,150	59,480	0.8	2.0
JOBS BY PLACE OF WORK					
Nonfarm Payroll Jobs** - NAICS	54,740	54,900	53,170	-0.3	3.0
Goods-Producing Industries	7,830	7,810	7,480	0.3	4.7
Natural Resources & Mining	10	10	70	0.0	-85.7
Construction	4,500	4,520	4,060	-0.4	10.8
Manufacturing	3,320	3,280	3,350	1.2	-0.9
Food Manufacturing	980	920	1,030	6.5	-4.9
Fabricated Metal Product Manufacturing	260	260	250	0.0	4.0
Machinery Manufacturing	160	170	160	-5.7	0.2
Other Manufacturing	1,920	1,930	1,910	-0.5	0.5
Service-Providing Industries	46,910	46,090	45,690	1.8	2.7
Trade, Transportation & Utilities	13,640	13,610	13,070	0.2	4.4
Wholesale Trade	4,300	4,270	4,090	0.7	5.1
Retail Trade	7,600	7,600	7,360	0.0	3.3
Utilities	60	60	60	0.0	0.0
Transportation	1,680	1,680	1,560	0.0	7.7
Information	1,180	1,200	1,170	-1.7	0.9
Financial Activities	2,120	2,120	2,110	0.0	0.5
Professional & Business Services	9,380	9,640	9,200	-2.7	2.0
Educational & Health Services	7,140	7,150	6,800	-0.1	5.0
Leisure & Hospitality	4,350	4,580	4,450	-5.0	-2.2
Other Services	1,990	1,990	2,050	0.0	-2.9
Government Education	3,470	3,160	3,520	9.8	-1.4
Government Administration	3,640	3,640	3,320	0.0	9.6

*Preliminary Estimate

**Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

restaurants paying \$7 an hour to start was almost unheard of until this year. Many times a worker accepts a job primarily because of benefits, which may keep the employee loyal as long as the benefits are not reduced.

Some employers buy into the concept that creating a healthy and positive work environment is a major draw to good applicants. A recent Idaho Falls Post Register article featured Larry Walters, manager of the city's Qwest call center. He is credited with improving the call cen-

ter's national sales ranking from last to first in two years while the work force increased from 65 to 500. Walters is also featured in The Gallup Organization's book "12: The Elements of Great Managing," that asserts Walters' management style was instrumental in attracting and retaining employees. Walters' philosophy is summed up in three points.

- Listen to the employees. If employees aren't doing well personally, they can't do well at work.
- Make work fun. Walters offers various activities and events that give the employees something to look forward to and help them bond as a team.
- Take the work personally. The environment he creates helps the employees want to be number one. Sales or quotas reached are posted everywhere so employees can be proud of what they achieved.

Creative recruiting sometimes includes changing the management, not just the management style. Some management types are not equipped to take the company to the next level. They may have worked well to start up but do not know how to handle change and growth, two things that usually go together. Outsourcing support departments such as human resources is not uncommon. The practice has become more prevalent in eastern Idaho in human resources and other areas such as collections and payroll. It helps control the

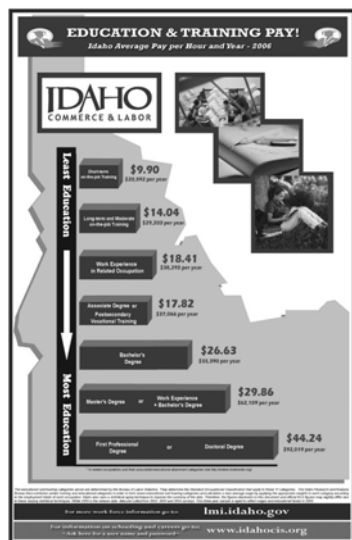
physical space a company occupies as it grows. Offering flexible work schedules or work-at-home options may attract more applicants in a tight labor market. Several eastern Idaho companies offer some workers home-based employment.

Older workers, typically once retired, are becoming an increasing boon to low unemployment areas. Many have years of experience and knowledge to contribute to a company and its employees.

Some businesses have found that the traditional "fill out an application" method may not be the best way to find new employees in a tight labor market. They are trying to hire repeat and loyal customers, or they are asking trusted colleagues for leads on potential applicants.

Some businesses print want ads on cash register receipts. Still others offer employee discounts to entice applicants or provide cash bonuses to current employees who make referrals that result in a hire. Such creativity and imagination is important if a business wants to stay on top of the competition.

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Education & Training Pay Poster Available

Posters comparing level of pay with level of training are available free from Idaho Commerce & Labor. An 8 1/2" x 11" size can be downloaded and printed from the Web site in PDF format. Just log onto <http://imi.idaho.gov> and scroll down the home page until you see the poster (pictured on the left) in color. Follow the information on-screen to print the poster.

A larger size, 11" x 17", is also available upon request. The posters have been popular with schools and other career counseling agencies. Log on to the Web site for more information.